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December 11, 1998

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HAND DELIVERED

Megalie Roman Salas, Esquire
Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

Re: CS Docket No. 98-201
RMs 9335 and 9345

Dear Ms. Salas:

Transmitted herewith, on behalf of Local TV on Satellite LLC ("LTVS"), Raleigh, North Carolina, are an original and four copies of its Comments in the above-referenced docket addressing "local-into-local" service.

Should there be any questions, please communicate with the undersigned.

Very truly yours,



Marvin Rosenberg
Counsel for
Local TV on Satellite LLC

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Enclosures

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**Before the
Federal Communications Commission
Washington, D.C. 20554**

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FEDERAL COMMUNICATIONS COMMISSION
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In the matter of)
)
Satellite Delivery of Network Signals)
to Unserved Households for Purposes)
of the Satellite Home Viewer Act)

CS Docket No. 98-201
RM No. 9335
RM No. 9345

COMMENTS OF LTVS

Local TV on Satellite LLC ("LTVS"), by its counsel, submits its Comments in response to the FCC's Notice of Proposed Rule Making in the above-captioned matter which was released on November 17, 1998. In paragraph 43 of the NPRM, the FCC requests comments on the prospects for a "local-into-local" service. LTVS has been actively developing a plan for the implementation of such a service and is, accordingly, responding to the FCC's questions in paragraph 43.

Preliminary Statement

Capitol Broadcasting Company, Inc., Raleigh, North Carolina, is a diversified communications company which founded LTVS. Capitol recognized the need for DBS to be able to offer the signals of local television stations as part of the DBS program service if DBS is to be truly competitive to cable television. Further, it is important to local television stations to reach the homes of viewers within their service area who primarily rely on DBS reception for their television viewing. Thus, LTVS was formed to provide a solution to this mutual need by DBS and local television stations. LTVS will be a packager of local signals which will be made available to all DBS service providers for retailing to the individual DBS service subscribers.

In paragraph 43 of the NPRM, the FCC seeks comment on the prospects for the development of a "local-into-local" technology; a compulsory license for copyright; and a time frame for the implementation of a "local-into-local" service. LTVS will address each of the forgoing issues.

Comments

The technology for a "local-into-local" service already exists is the answer to the FCC's request for comments in the first line of paragraph 43. LTVS was formed for the specific purpose of establishing a "local-into-local" service. It is the intention of LTVS to uplink the signals of all full service television stations in a market and sell that package of local television stations to DBS service providers who, in turn, can

make that service available to DBS subscribers. To accomplish its purpose, LTVS worked with its technical consultants to develop spot beam technology utilizing satellites in the KA-band and continues to work with them for the best means of implementation. Through frequency re-use, which can be accomplished in the KA-band because of the shorter length of a signal in the KA-band, satellites can be built with numerous spot beams individually shaped to cover a particular local television market. Further, through a conditional access system operated by LTVS, television viewers can be further assured to receive only those signals of their local television stations. LTVS has had numerous discussions with the satellite manufacturers and has received proposals for the construction of the spot beam satellites. Further, the LTVS system is being designed so that viewers will be able to receive their local signal package with the same dish as they receive their DBS service, and one box will contain the necessary decoders for both the DBS and the LTVS services.

In order for a "local-into-local" service to occur it is necessary for the Congress to enact a compulsory license for copyright. Previously, the Congress has enacted Sections 111 and 119 of the Copyright Act to provide compulsory licenses for cable television and satellite delivery of signals to "unserved households," respectively. A compulsory license must now be enacted to permit the "local-into-local" service to become a reality. LTVS was very active before the Congress this year in seeking to have a compulsory license for copyright enacted, and while several bills were introduced which provided for the compulsory copyright license, none were enacted. LTVS represented that it would be willing to comply with the must carry, sports blackout, non-duplication and syndex Rules which are applicable to cable television carriage of local signals. The failure to enact the desired legislation LTVS believes was primarily due to the inclusion of the compulsory license provision with provisions that addressed other aspects of the satellite delivery of television signals. LTVS fully believes that the Congress will again consider the compulsory license for copyright in the next session and will provide the necessary license.

LTVS, as have others, before the Congress has represented that it is not possible to raise and risk the capital to fund the construction of the spot beam satellite and related business matters in the absence of the enactment into law of the compulsory license for copyright. The nature of the spot beam satellites limits their use for other satellite delivery services and, hence, the financial commitments can only be made after the enactment of legislation. Based on time table received from the satellite manufacturers the satellites could be constructed in approximately two years and the service could commence thereafter. If the Congress enacts the compulsory license next year, as presently expected, it is estimated that the "local-into-local" service could commence in 2001. The FCC should inform the Congress of its positive support for enactment of the legislation.

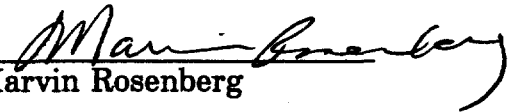
Conclusion

The technology for "local-into-local" exists, including providing the service of all full service television stations in a market which would best serve the public interest. To make a "local-into-local" service a reality a compulsory license for copyright is necessary and the FCC should recommend to the Congress the need for enactment of the law.

Respectfully submitted,

LOCAL TV ON SATELLITE LLC

By:


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December 11, 1998